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Red Meat and Poultry Sector Trends and Developments

Report Categories:

Agricultural Situation

Agriculture in the Economy

Agriculture in the News

Livestock and Products

Poultry and Products

Sanitary/Phytosanitary/Food Safety

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Report Highlights:

The Mexican government and industry have invested significant resources in the development of federally inspected meat and poultry establishments since their beginnings in 1947. In recent years, the number of establishments has increased as consumer and industry awareness regarding the benefits of federal oversight has expanded. Industry and government leaders now claim that more than one-half of the meat and poultry produced and consumed in Mexico originates from such establishments.

General Information:

This report explores Mexico's Federally Inspected Type ([TIF](#)) meat and poultry establishments regulated by The National Service of Health, Food Safety, and Food Quality (SENASICA). Generally, these establishments are abattoirs, processors, and cold storage warehouses for cattle, swine, sheep and goats, poultry, and horses and related products. TIF establishments are not the only operations managing the slaughter, processing, or storage of these species, as there are also private operators (without official oversight) and municipal operations regulated by local health inspectors working within Mexico.

Increasingly, TIF establishments are responsible for a greater percentage of the meat and poultry processed and consumed in Mexico. TIF establishments are perceived, increasingly, as superior in their sanitary practices and operational scale than other types of establishments in Mexico. Industry sources report that in 2005, TIF establishments handled 32 percent of the meat and poultry consumed in Mexico while in 2013, TIF establishments handled, reportedly, 51 percent of all meat or poultry consumed in the country.

SENASICA's Verification, Monitoring, and Inspection of TIF Establishments

TIF operations fall under the regulatory authority of [SENASICA](#)'s General Direction for Food Safety, Aquaculture and Fisheries (DGIAAP). SENASICA provides permanent official or authorized personnel for food safety and zoonosis verification, monitoring and inspection in establishments receiving TIF certification. These establishments can be single or many species and can be occupying a number of single or multiple functions from slaughter to cutting and/or deboning to grinding for patty or sausage manufacturing and cold storage for warehousing of meat and poultry products. TIF establishments must comply with Mexican regulations related to animal or poultry slaughter, facility construction, equipment maintenance and processing procedures as prescribed in a series of Mexican regulations; including, [NOM 008-ZOO-1994](#), [NOM 009-ZOO-1994](#) and [NOM 033-ZOO-1995](#). Moreover, these TIF establishments must establish Hazards Analysis and Critical Control Point (HACCP) and Sanitation Standard Operating Procedures (SSOP) programs.

According to SENASICA's website, as of [March 14, 2014](#), there were 405 TIF certified establishments throughout the country with most operations located close to production centers (e.g., Nuevo Leon, Jalisco, and Puebla had 71, 34, and 17 TIF establishments; respectively), or urban consumption areas (e.g., Mexico City and State of Mexico had 51 and 56 TIF establishments; respectively).

TIF Slaughter Operations – Few Yet Powerful

According to [April 2013](#) information from The Food and Fisheries Statistics Service (SIAP) there were 113 certified TIF slaughter operations throughout the country whereas there were 844 municipal slaughter operations and 144 private slaughter operations. TIF type establishments represent less than 10 percent of total abattoirs but account for 87 percent of poultry, 63 percent of goat, 44 percent of swine and beef, 40 percent of equine, and 31 percent of sheep slaughter capacity. For major commodities like poultry, beef, and pork, these plants are greater utilized than private and municipal operations (see tables 2 and 3, below). (NOTE: SENASICA TIF officials reported to FAS Mexico that the number of TIF slaughter establishments has now increased to 122 as of March 14, 2014).

TIF Trading Meat and Poultry

In addition to handling domestic origin product, TIF establishments also import meat and poultry from other countries; including a large share of the meat and poultry imported from the United States. A SENASICA official responsible for the oversight of inspection programs reported that 550 total Mexican companies sourced imported meat and poultry products in 2013. He indicated that of these 550 companies, 74 of them were TIF certified and that these establishments were responsible for 50 percent of all meat or poultry imports. In 2013, (see table 1, below) Mexico imported 1.85 million metric tons MMT of beef, pork, and poultry meat and offal that was valued at just under U.S. \$4 billion.

Additionally, most countries; including the United States, recognize only TIF establishments as equivalent to their own systems and, as such, only accept that Mexico export meat or poultry products from these establishments. A SENASICA official reported to FAS Mexico that 124 of the 405 TIF establishments in existence as of March 14, 2014, are eligible to export meat, poultry and related products to international markets. At this time, these TIF establishments are eligible to export animal origin products to nearly fifty countries.

According to the U.S. Department of Agriculture (USDA) Food Safety and Inspection Service (FSIS) list of eligible Mexican establishments, as of [March 14, 2014](#), there were 56 TIF establishments authorized to export meat or poultry to the United States. An overview of the TIF eligible establishments by species (i.e., beef, pork, and poultry) is available in images 1 to 3, below, along with information on Mexican state-by-state animal protein production. Interestingly, many of these TIF establishments have been eligible to export product to the United States since May 2002.

It is worth mentioning that Mexico is currently able to ship raw or thermally processed (i.e., pre-cooked) beef to the United States from all Mexican states provided that it is sourced and handled in the TIF plants considered eligible to export to the United States. Thermally processed pork (e.g, marinated, cooked and vacuum packed ribs or loins and pre-cooked hams) are eligible for export to the United States from all Mexican states and raw pork can come from the states recognized as free of classical swine fever (see image 2) provided that the products originate from approved TIF plants. At present, as there is no equivalence for poultry slaughter between the United States and Mexico. As such, only processed poultry originating from the United States or other countries free of high pathogenic avian influenza and exotic Newcastle disease is eligible for export to the United States from Mexico's recognized TIF plants.

A Novel Opportunity for TIFs Importing Meat and Poultry

The SENASICA General Direction for Fitozoosanitary Inspection (DGIF) recognizes the safety and operational safeguards that TIF establishments follow and, consequently, established a special, trusted user program called "Usuario Confiable" ([UCON](#)) whereby eligible TIF establishments can gain approval to import meat and poultry products from foreign countries and have those materials bypass physical inspection that normally occurs at the border. Establishments in the UCON program can have, instead, their imported products examined at the TIF destination in lieu of the border.

UCON remains a voluntary program that was announced first time in the Mexican Federal Register on May 28, 2010. Although the program has almost a 4-year history, only about 10 TIF establishments have signed up for the program as the perceived risk of back hauling to the border, destroying, or re-conditioning a rejected load of meat or poultry seems to outweigh the benefits of the program which are

principally an expedited border crossing and, also, fewer disruptions to the cold chain. Some industry sources report that TIF firms may be more interested in UCON as inspection volumes grow, wait times increase, and if Mexican authorities also make meaningful changes to regulatory inspection requirements specified by [NOM-030-ZOO-1995](#). (NOTE: Sources report that NOM-030 has been cancelled recently but remains in force until replacement inspection measures or guidelines can be developed and dispatched).

Association of National TIF Establishments ([ANETIF](#))

ANETIF is the Mexican industry association advocating on behalf of all TIF members in issues related to the development of legislation, regulations, and industry standards. The organization often advocates in international arenas for expanding Mexico export opportunities or is consulted for its perspectives during the development of trade agreements which could impact Mexican meat and poultry industry members. ANETIF also has a foundation that supports its members and provides information on market trends and developments. An interactive map of ANETIF members is viewable from the hyperlinked website, [here](#).

Author Defined:

[Give Us Your Feedback on this Report:](#) Please take a moment to answer this brief 6 question survey by clicking on the above link which will take you to a non-U.S. Government website (i.e. SurveyMonkey). Once completed, click on “listo” and we can capture your feedback. We value your opinion and want to provide information that matters to you as it relates to U.S. and Mexico food and agricultural production, trade, demand, and policy. Thank you for your time.

FAS/Mexico Web Site: We are available at www.mexico-usda.com.mx or visit the FAS headquarters' home page at www.fas.usda.gov for a complete selection of FAS worldwide agricultural reporting.

Other Relevant Reports Submitted by FAS/Mexico:

Report Number	Subject	Date Submitted
MX4015	Livestock and Products Semi-Annual: Production Forecasts Raised Slightly on Better Genetics, Weather and Feeding	3/4/2014
MX4012	Poultry and Products Semi-Annual: Billion Dollar Market Retains Potential for Increased Sales	2/14/2014
MX4011	SAGARPA to Provide USD 50 Million for Abattoirs and Processors	2/4/2014
MX3077	Cattle Herd Repopulation Plan	10/30/2013
MX3068	Egg Certification Policy Changes with Price and Trade Snapshot	9/10/2013
MX3066	Poultry and Products Annual: Production and Trade Forecasts Bright	8/30/2013
MX3062	Livestock and Products Annual: Outlook for Production and Trade Bright While Consumption Remains Affected by Prices	8/15/2013
MX3058	Outreach in Tijuana and Mexicali for Meat and Poultry Trade	7/16/2013
MX3051	Porcine Epidemic Diarrhea Disease	6/26/2013
MX3048	Newly Authorized Meat and Poultry Exporters to Mexico	6/20/2013
MX3047	Educational Sessions for Meat and Poultry Trade Exporters to Mexico	6/20/2013

MX3043	Pork Price and Trade Snapshot	5/30/2013
MX3026	Broiler Meat Production and Trade Update	3/22/2013
MX3016	Livestock Semi-Annual: Pork Sector Promising	3/4/2013
MX3011	Poultry Semi-Annual – First \$1 Billion Poultry Market for American Exporters	2/13/2013

Useful Mexican Web Sites: Mexico's equivalent to the U.S. Department of Agriculture (SAGARPA) can be found at www.sagarpa.gob.mx, equivalent to the U.S. Department of Commerce (SE) can be found at www.economia.gob.mx and equivalent to the U.S. Food and Drug Administration (SALUD) can be found at www.salud.gob.mx. These web sites are mentioned for the readers' convenience but USDA does NOT in any way endorse, guarantee the accuracy of, or necessarily concur with, the information contained on the mentioned sites.

**Production, Supply and Demand Data Statistics :
Statistical Information**

Table 1. Mexico: Beef, Pork, Poultry and Related Offal Volume (MT) and Value (USD) Imports from the World for 2011 to 2013

	2011		2012		2013	
	Volume	Value	Volume	Value	Volume	Value
World	1,617,524	\$3,420,485,006	1,713,893	\$3,555,025,311	1,846,891	\$3,961,922,814
USA	1,497,918	\$3,066,103,000	1,597,251	\$3,232,070,620	1,707,929	\$3,595,910,184

Canada	91,211	\$257,321,995	88,059	\$229,428,611	108,279	\$261,207,520
Chile	20,393	\$ 60,998,503	22,914	\$63,664,933	23,575	\$68,219,039
Australia	1,681	\$5,816,630	1,757	\$6,787,608	2,887	\$9,784,998
Spain	799	\$13,262,178	876	\$13,755,431	1,142	\$17,457,923
New Zealand	747	\$2,324,065	741	\$3,352,241	666	\$2,973,625
Denmark	578	\$979,306	476	\$1,165,863	629	\$1,922,439
Panama	422	\$759,732	359	\$393,009	549	\$ 777,082
Costa Rica	802	\$1,600,163	583	\$996,731	514	\$859,101
Nicaragua	2,803	\$9,949,924	800	\$2,215,704	345	\$759,698
Brazil	0	\$0	0	\$0	293	\$872,187
Uruguay	22	\$194,508	17	\$204,800	49	\$ 556,718
Italy	33	\$732,242	38	\$778,761	28	\$554,157
France	11	\$129,071	22	\$210,999	6	\$68,143
Honduras	104	\$313,689	0	\$0	0	\$0

Source of Data: INEGI [2006-present]

Table 2. Mexico: All Establishment Type Slaughter Capacity by Number of Animals and (Utilization)

Type	TIF #s	Beef	Swine	Goat	Sheep	Poultry	Equine
TIF	113	390,639 (59)	685,158 (80)	84,795 (67)	23,677 (31)	68,486,547 (91)	11,000 (75)
Private	144	88,784 (43)	199,815 (69)	16,976 (95)	14,100 (55)	10,249,850 (71)	6,582 (56)
Municipal	884	402,934 (55)	673,350 (60)	33,179 (40)	37,606 (34)	242,750 (47)	10,500 (26)
All	1,141	882,357 (56)	1,558,323 (70)	134,950 (64)	75,383 (37)	78,979,147 (88)	28,082 (52)
TIF %	9.90%	44.27%	43.97%	62.83%	31.41%	86.71%	39.17%

Source: SIAP with Information from SAGARPA State Delegations

Table 3. Mexico: TIF Monthly Fixed Slaughter Capacity by Number of Animals and (Utilization)

State	TIF #s	Beef	Swine	Goat	Sheep	Poultry	Equine
Aguascaliente							
S	3	8,000 (48)				1,200,000 (98)	
Baja California	4	30,300 (70)	8,640 (50)				
Campeche	1	4,320 (6)					
Chiapas	5	12,680 (28)				2,688,000 (98)	
Chihuahua	5	14,300 (83)	1,950 (51)			1,200 (53)	2,600 (47)
Coahuila	5	23,540 (57)	5,700 (27)	12,000 (2)			

Durango	5	6,500 (87)	1,600 (42)			9,000,000 (93)	
Guanajuato	5	23,625 (50)	135,025 (86)	7,875 (7)	7,875 (7)	2,760,000 (98)	
Guerrero	1	1,600 (85)	3,000 (32)				
Hidalgo	2				8,000 (60)	4,560,000 (88)	
Jalisco	9		54,600 (65)			12,300,000 (91)	
Mexico	5	4,500 (55)	60,460 (91)		1,650 (22)		
Michoacan	2	20,000 (66)	1,000 (40)				
Nayarit	1					750,000 (98)	
Nuevo Leon	12	56,064 (86)	57,683 (69)	63,000 (99)		4,228,000 (47)	
Puebla	5		13,040 (75)			5,846,000 (86)	
Queretaro	4	8,400 (53)	12,000 (79)		1,700 (79)	10,500,000 (99)	
San Luis Potosi	3	28,500 (58)				2,151,347 (95)	
Sinaloa	4	33,280 (98)	12,480 (97)		102 (66)	7,540,000 (97)	
Sonora	10	19,980 (41)	265,260 (83)			150,000 (50)	
Tabasco	1	9,500 (97)			500 (51)		
Tamaulipas	4	24,480 (40)					
Tlaxcala	1				250 (20)		
Veracruz	8	49,070 (45)	2,800 (40)			150,000 (50)	
Yucatan	5	8,400 (15)	48,000 (84)			4,812,000 (77)	
Zacatecas	3	3,600 (14)	1,920 (20)	1,920 (15)	3,600 (2)		8,400 (84)
Total	113	390,639 (59)	685,158 (80)	84,795 (67)	23,677 (31)	68,486,547 (91)	11,000 (75)

Source: SIAP with Information from SAGARPA State Delegations

Image 1. Mexico: Beef Production and TIF Establishments Eligible to Export to the United States as of March 14, 2014

Mexican Beef Production and TIF Locations

All Mexican states are eligible to ship raw or processed beef to the United States. Red areas indicate states with TIF Establishments certified to export to the United States.

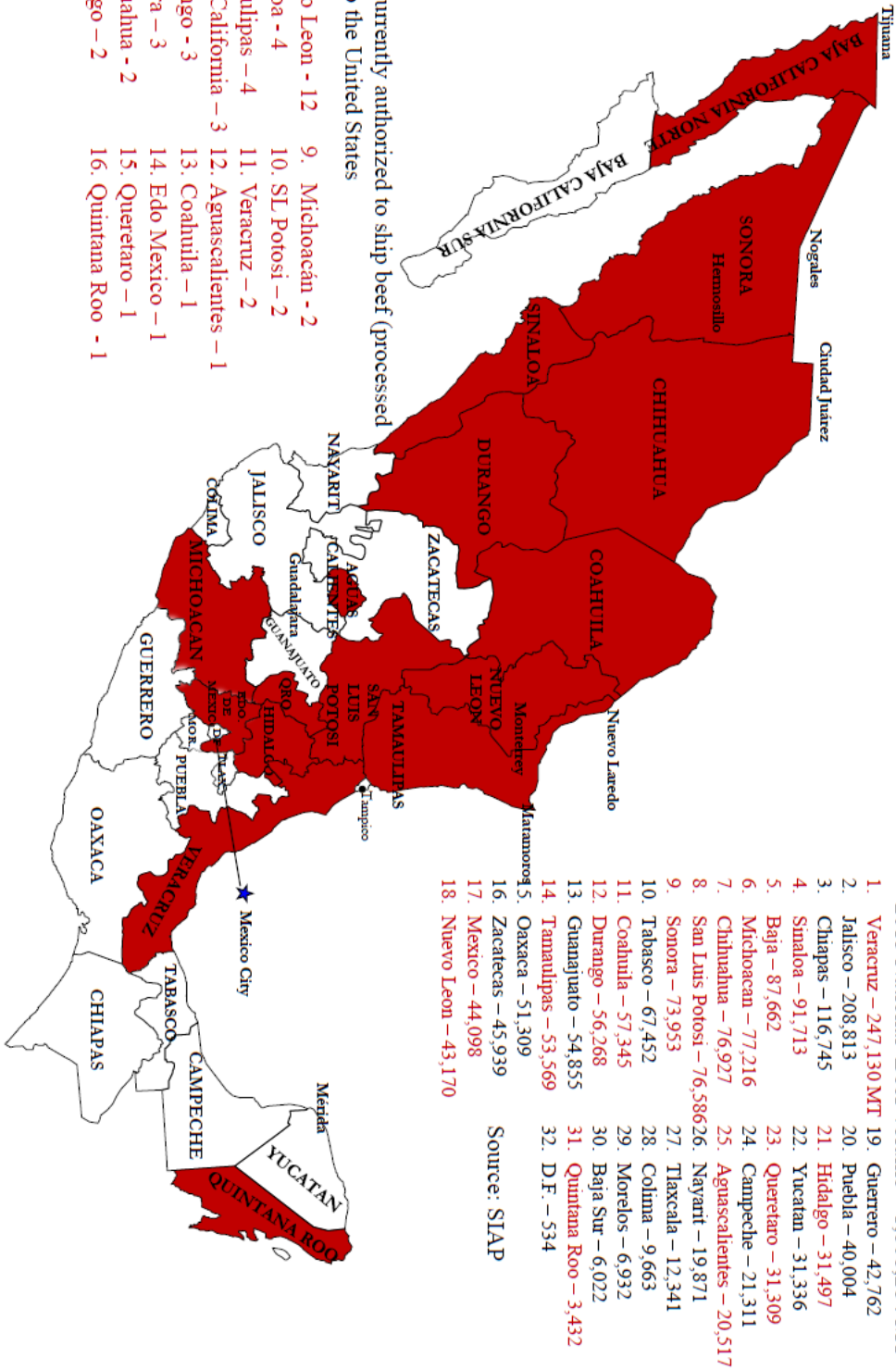


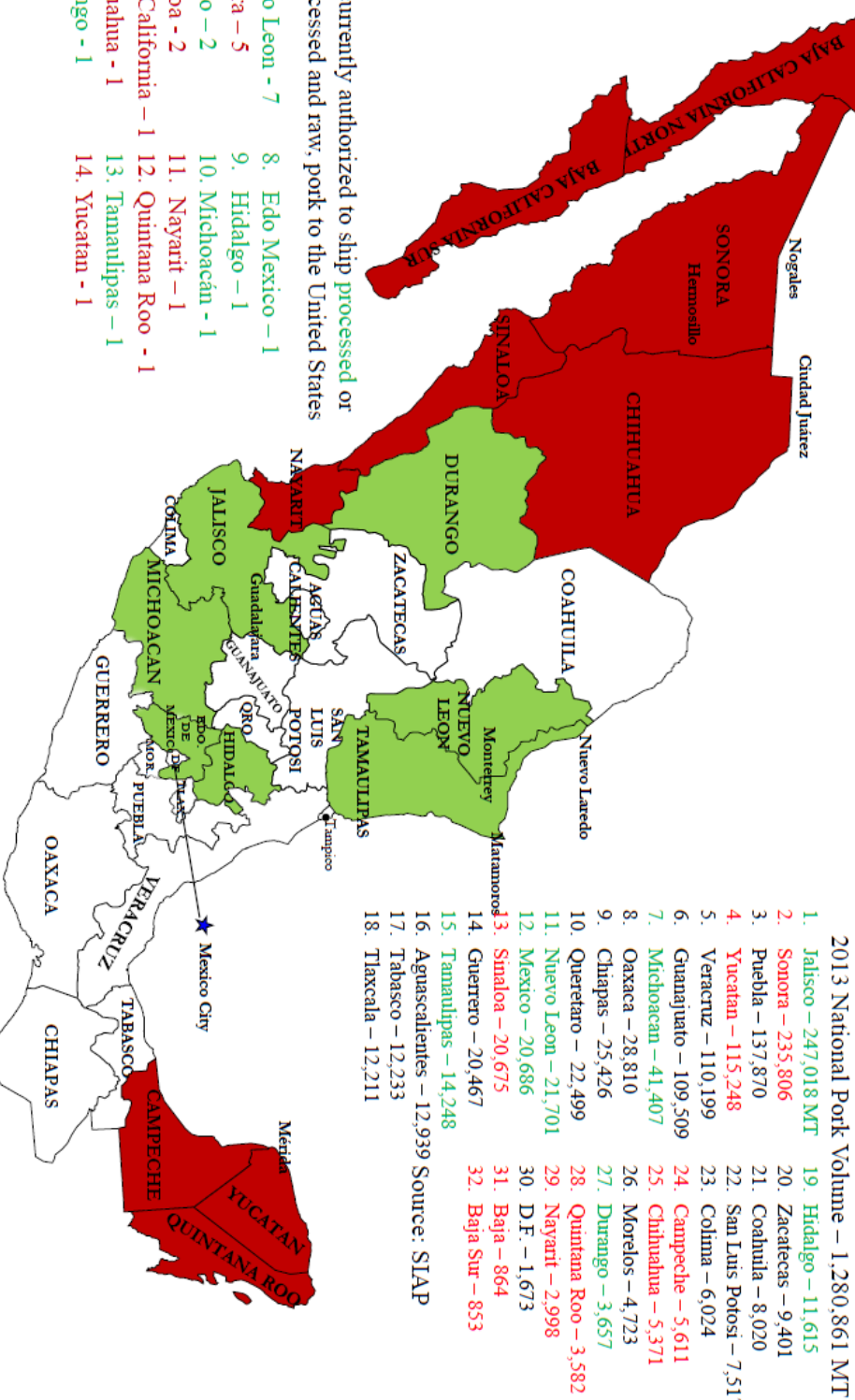
Image 2. Mexico: Pork Production and TIF Establishments Eligible to Export to the United States as of March 14, 2014

Mexican Pork Production and TIF Locations

Red areas indicates currently considered CSF-free by USDA APHIS and eligible to ship raw and processed pork.

All other states may ship only processed pork to the United States provided it originates from a SENASICA recognized TIF Establishment.

Green areas indicate states with TIF Establishments certified to export processed pork to the United States.

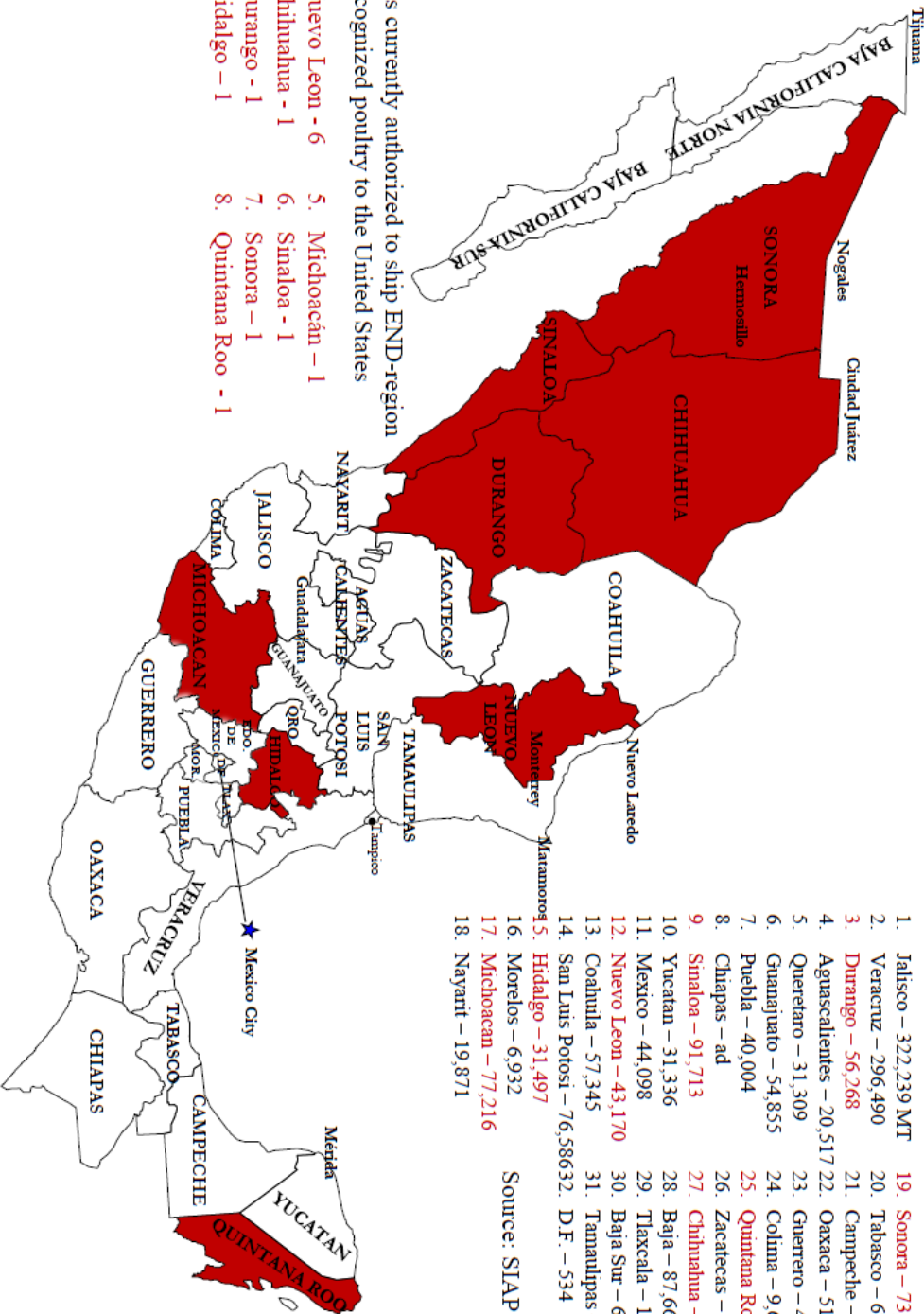


*NOTE: All states and the authorized TIF establishments can export processed pork to the United States should they be found eligible by SENASICA. Although CSF-free, neither Baja Sur or Campeche have TIF establishments currently registered to export to the United States.

Image 3. Mexico: Poultry Production and TIF Establishments Eligible to Export to the United States as of March 14, 2014

Mexican Poultry Production and TIF Locations

Mexico is only able to re-export U.S.-origin or other USDA recognized END-free country poultry to the United States. Red areas indicate states with TIF Establishments certified to export to the United States.



Source: SIAP

13 TIFs currently authorized to ship END-free region free recognized poultry to the United States

1. Nuevo Leon - 6
2. Chihuahua - 1
3. Durango - 1
4. Hidalgo - 1
5. Michoacán - 1
6. Sinaloa - 1
7. Sonora - 1
8. Quintana Roo - 1